



# ARMY ACQUISITION REFORM



Issue 40

22 October 1996

## ***AAE APPROVES “GUIDELINES FOR ACQUISITION REFORM STRATEGIC PLANNING”***

Mr. Gilbert F. Decker, the Army Acquisition Executive, approved the “**Guidelines for Army Acquisition Reform (AR) Strategic Planning**” in September 1996 to provide guidance for strategic planning to implement the Army acquisition reform strategy. The guidelines were disseminated throughout the acquisition chain of command and requires each acquisition organization to conduct strategic planning tailored to its own organizational culture and customer needs. This means each organization is to define its own outcomes, identify the appropriate AR tools, and establish metrics to measure progress. The product of this process is an organizational AR Improvement Plan which should be on each acquisition organization’s AR Home Page by January 1997. Following this, each organization should start using their metrics to measure progress by March 1997 and begin to document their “Best Practices” and “Lessons Learned” in April and May 1997 respectively. For questions, contact Dr. James Edgar at DSN 227-4382, commercial (703) 697-4382 or email, [edgarj@sarda.army.mil](mailto:edgarj@sarda.army.mil).

## ***MILSPECS: REMOVING THEM PAYS OFF***

By eliminating restrictive specifications, Anniston Army Depot (AAD) reduced the cost of denim overalls by 31%. The elimination of military specifications (MILSPECS), including a lengthy one on quality of workmanship, strict shrinkage requirements, specific fabric weight requirements and loosened requirements for exact placement of pockets, zippers, etc., reduced the price of the overalls from **\$23 to \$16** per pair.

## ***ARMY FORMALIZES COST REDUCTION PLANNING***

As part of the Army’s implementation of “**Cost As An Independent Variable (CAIV)**”, Army leadership directed the Acquisition community to apply the proven cost reduction techniques from certain acquisition category I (ACAT I) programs to all acquisition programs in order to free up Total Obligation Authority for modernization and other urgent requirements. The AAE and CG, Army Materiel Command are committed to achieving a goal of 20 percent cost reduction across the Procurement and RDA accounts. Program managers (ACATs I through III) should have Cost Reduction Plans, approved by the Milestone Decision Authority and industry partners, in place by the end of FY 97.